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HOUSEKEEPERS' CHAT

Tuesday, January 17, 1933

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(FOR BROADCAST USE ONLY)

Subject: "Budgets for Economy Times." Information from the Bureau of Home Economics, U.S.D.A.

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A school teacher friend of mine often tells the story of the time she asked her class what the word budget meant. Little Jack in the front row promptly raised his hand.

"Well, Jack," said the teacher, "what is a budget?"

"It's a family quarrel," replied little Jack very seriously.

Planning expenses may lead to quarrels in some homes. But in many others planning is the way to peace and freedom, often the only way to make ends meet and keep all members in good health.

For some reason many women think of a budget as a mysterious, complicated arithmetic problem. In reality, to budget is simply to plan your spending to suit your income. We all budget roughly in our own minds. We all have an idea how much we should allow for this and that household expense. But spending plans carried only in the mind are too easy to change when you're tempted to buy. Also they're likely to miss important items. Safe and successful budgeting requires laying out your spending plan in black and white, having it right down on paper where you not only can but will consult it. If you have a plan made in advance this way, you can keep a check on your spendings and see how they compare with the amount you allowed yourself.

A budget is especially important in these economy days. To be sure, it can't cure the financial difficulties which many suffer from, but it can be of great help to many families with reduced incomes. Haphazard spending, buying whatever suits your whim at the time and letting the future take care of itself may be all very well if you have an overstuffed pocketbook. But when your purse is thin, spending for the family requires great care. You want to be sure you include the necessities, that you don't rob Peter to pay Paul, as the old saying goes. So the homemaker's job has increased these days. She has the problem of managing her household on a much smaller income, of deciding what to produce at home and what to buy, of knowing where to spend and where to save, of stretching what she has to cover all the needs of the family. Sometimes she will find that her handy fingers can make up for less cash in the family pocketbook, that she can produce articles at home which formerly she would have bought. A budget adapted to her family's situation will help solve her spending problem.

Many people who have never tried to live on a budget have an idea that they can write for a standard budget that will exactly suit their needs. As a matter of fact, a standard budget fits no one's situation exactly. It is simply a pattern for spending. And, like a dress pattern, it needs trimming here or letting out there, to fit its user. The itemized standard budget is of special

value to the beginner at this job of planning expenses. People who never have kept household accounts and who recognize the necessity this year of drafting a definite spending pattern, find a standard budget of great help because it reminds them of the many different goods and services which they must have and which the budget must provide for. Distribution of money expenditures in these standard budgets varies with the size of the income and the size of the family. You may be interested to know that the Bureau of Home Economics has collected budgets used by organizations in different parts of the country and that it has arranged some of these to help beginners.

The value of a good budget, made to fit the needs of your particular family, is that it includes all the items you need and distributes the money you have to spend among them. Once a housewife gets herself in an economical frame of mind, she's likely to try to go without the necessities, or to forget the indispensables until the end of the month and perhaps suffer real want as a result.

Suppose you're laying out a budget for your household for the year 1933. Get yourself a large sheet of paper--or, better still, a sturdy card of good size. Then block it out in squares like a checkerboard. At the head of the first column across the top, write in the word "Food," second column "Housing", third, "Fuel and Light," and so on until you have headings to cover all your different expenses and your savings. Now start down the left-hand side and write in the names of the twelve months. With a very small amount to spend, the most important item to consider is food. Check back over what your family averages each month on food. The Bureau of Home Economics can help you on this item. It has printed suggestions for planning an adequate yet low-cost diet for the family. When you have estimated what you need to spend for food, write that amount in the food column, opposite each month. The same for the housing column. If you're paying rent each month and have a lease, this figure will be easy to decide and will be the same for each month. If you're making payments on your house, this is a fixed investment item which you must take into account early in the reckoning. Find the total cost of the upkeep of your house for each month and enter these figures in your second column after you enter heat and light expenditures. Still another column must allow for cleaning and household supplies. Another for clothing. Another for medical care. Another for insurance. And so on. You yourself must decide how many headings you need to cover your own expenses. Now, when you add up these estimated expenses, if you find the total is larger than your income, go back and trim your plan here and there until it fits what you have to spend. Some items like clothing and house furnishings you can pare down close for economy times. Other items, like food, you can reduce only so far without endangering the health of your family. This is just a rough picture of the way to build a simple budget. Of course, you are fortunate if you have an expense account to base it on. If you've never kept an expense account, start one now and adjust your budget month by month accordingly.

So a budget is neither a cure-all nor a bugbear, but rather a kindly guardian of your family's health, happiness and progress. When times are close, when every penny counts, the budget will help protect you from carelessly spending here and there for little luxuries and useless things, with the result that you'll lack nickels and dimes when the time comes to pay for necessities.

Tomorrow: "A Baked Dinner."

